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MID-ATLANTIC INFORMATION OFFICE: Philadelphia. Pa.

Technical information: (215) 597-3282 BLSInfoPhiladelphia@bls.gov www.bls.gov/regions/mid-atlantic

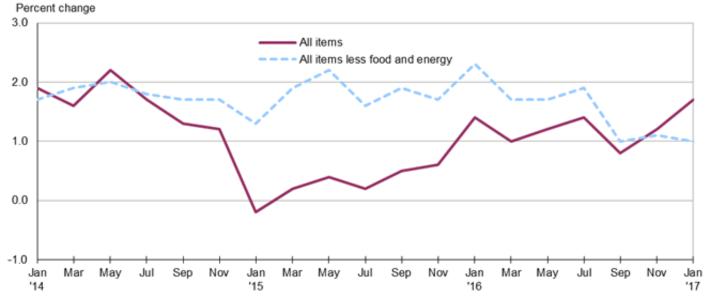
Media contact: (215) 861-5600 BLSMediaPhiladelphia@bls.gov

Consumer Price Index, Washington-Baltimore – January 2017 Area prices up 0.2 percent since November and 1.7 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) for Washington-Baltimore edged up 0.2 percent over the last two months, the U.S. Bureau of Labor Statistics reported today. Regional Commissioner Sheila Watkins noted the increase was led by a 3.2-percent rise in the energy index. The all items less food and energy index was unchanged over the last two months, while the food index inched up 0.1 percent. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the last 12 months, the CPI-U increased 1.7 percent, due almost entirely to a 1.0-percent increase in the all items less food and energy index and a 12.3-percent increase in the energy index. (See chart 1 and table A.) Since January 2016, the food index increased 1.0 percent. (See table 1.)

Chart 1. Over-the-year percent change in CPI-U, Washington, D.C., January 2014-January 2017



Source: U.S. Bureau of Labor Statistics.

Food

After increasing 0.4 percent from September to November, the food index increased 0.1 percent over the last two months. Prices for food at home increased 0.3 percent, while those for food away home inched down 0.1 percent. Higher prices for carbonated drinks and breakfast cereal contributed to the two-month increase in the food at home index.

Food prices increased 1.0 percent over the year due to higher prices for food away from home (3.0 percent). Conversely, prices for food at home declined 0.6 percent since last January.

Energy

Since November, the energy index, which includes prices for household and transportation fuels, increased 3.2 percent, mostly due to higher prices for gasoline (7.3 percent). Prices for utility (piped) gas service decreased over the last two months, down 0.7 percent, while those for electricity were unchanged.

Energy prices rose 12.3 percent over the year. The increase was led by a 23.5-percent jump in gasoline prices, the largest over-the-year increase in this index since October 2011. Prices also increased over the year for utility (piped) gas service (15.9 percent) and electricity (1.6 percent).

All items less food and energy

The index for all items less food and energy was unchanged since November. Higher prices for medical care (1.3 percent) and education and communication (0.5 percent), among others, were offset by declines in prices for apparel (-4.1 percent) and recreation (-1.7 percent).

Since January 2016, the index for all items less food and energy rose 1.0 percent. The increase was due largely to an over-the-year rise in shelter prices (1.3 percent). Higher prices for medical care (2.9 percent), among others, also contributed to the rise. Prices declined over the year for recreation (-2.3 percent) and education and communication (-0.9 percent).

Table A. Washington, D.C. CPI-U 2-month and 12-month percent changes, all items index, not seasonally adjusted

Month	2013		2014		2015		2016		2017	
	2-month	12- month								
January	0.1	1.8	0.4	1.9	-1.0	-0.2	-0.2	1.4	0.2	1.7
March	0.9	1.4	0.6	1.6	1.0	0.2	0.6	1.0		
May	-0.2	1.2	0.4	2.2	0.6	0.4	0.8	1.2		
July	0.5	1.9	0.0	1.7	-0.2	0.2	-0.1	1.4		
September	0.6	1.2	0.2	1.3	0.5	0.5	-0.1	0.8		
November	-0.2	1.7	-0.4	1.2	-0.3	0.6	0.1	1.2		

The Consumer Price Index for March 2017 is scheduled to be released on Friday, April 14, 2017, at 8:30 a.m. (EDT).

Technical Note

The Consumer Price Index for Washington-Baltimore is published bi-monthly. The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers approximately 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 4,000 housing units and approximately 26,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/pdf/homch17.pdf.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **Note: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The Washington-Baltimore, D.C.-Md.-Va.-W.Va., Consolidated Metropolitan Statistical Area includes the District of Columbia; Baltimore City and the counties of Anne Arundel, Baltimore, Calvert, Carroll, Charles, Frederick, Harford, Howard, Montgomery, Prince George's, Queen Anne's, and Washington in Maryland; the cities of Alexandria, Fairfax, Falls Church, Fredericksburg, Manassas, and Manassas Park and the counties of Arlington, Clarke, Culpeper, Fairfax, Fauquier, King George, Loudoun, Prince William, Spotsylvania, Stafford, and Warren in Virginia; and the counties of Berkeley and Jefferson in West Virginia.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Washington-Baltimore, D.C.-Md.-Va.-W.Va., (December 1997=100 unless otherwise noted) (not seasonally adjusted)

		Index	es		Percent change from			
Expenditure category	Historical data	Nov. 2016	Dec. 2016	Jan. 2017	Jan. 2016	Nov. 2016	Dec. 2016	
All items(1)	W	157.706		158.086	1.7	0.2		
Food and beverages(1)	W	157.403		157.668	1.0	0.2		
Food(1)	w	158.843		159.046	1.0	0.1		
Food at home	W	146.545	145.012	147.034	-0.6	0.3	1.	
Food away from home(2)	W	171.955		171.768	3.0	-0.1		
Alcoholic beverages(2)	W	137.224		138.342	0.9	0.8		
Housing(1)	W	170.965		170.882	1.4	0.0		
Shelter	W	183.115	183.006	182.886	1.3	-0.1	-0.	
Rent of primary residence(1)(3)	W	203.513	203.675	204.086	2.0	0.3	0.	
Owners' equivalent rent of residences(3)(4)	W	183.627	183.369	183.427	1.4	-0.1	0.	
Owners' equivalent rent of primary residence(3)(4)	W	183.609	183.354	183.412	1.4	-0.1	0.	
Fuels and utilities	W	191.569		191.883	4.4	0.2		
Household energy	W	179.715	178.531	179.885	4.5	0.1	0.	
Gas (piped) and electricity(3)	W	172.731	171.327	172.482	4.1	-0.1	0.	
Electricity(3)	W	184.512	184.516	184.502	1.6	0.0	0.	
Utility (piped) gas service(3)	W	121.290	116.149	120.405	15.9	-0.7	3.	
Household furnishings and operations.	W	86.566		86.954	-1.4	0.4		
Apparel(1)	W	105.392		101.113	5.5	-4.1		
Transportation(1)	W	138.868		141.729	4.6	2.1		
Private transportation	W	137.215		140.399	5.6	2.3		
Motor fuel	W	192.060	196.286	205.968	23.5	7.2	4.	
Gasoline (all types)	W	191.862	196.128	205.786	23.5	7.3	4.	
Gasoline, unleaded regular(5)	W	189.513	194.069	203.950	24.6	7.6	5.	
Gasoline, unleaded midgrade(5)	W	207.116	209.668	217.392	19.8	5.0	3.	
Gasoline, unleaded premium(5).	N	214.490	216.394	224.467	19.2	4.7	3.	
Medical care(1)	W	185.330		187.735	2.9	1.3		
Recreation	W	117.556		115.517	-2.3	-1.7		
Education and communication	W	152.106		152.832	-0.9	0.5		
Other goods and services(1)	W	179.628		177.455	-0.8	-1.2		
Commodity and service group								
Commodities	W	125.686		126.497	1.9	0.6		
Commodities less food and beverages.	W	108.328		109.358	2.5	1.0		
Nondurables less food and beverages	W	138.065		139.495	6.5	1.0		
Durables	W	78.168		78.842	-1.4	0.9		
Services	W	179.297		179.371	1.5	0.0		
Special aggregate indexes								
All items less shelter	W	145.131		145.776	1.8	0.4		
All items less medical care(1)	W	155.941		156.180	1.5	0.2		
Commodities less food	W	109.681		110.719	2.4	0.9		
Nondurables	₩.	147.395		148.210	3.4	0.6		

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Washington-Baltimore, D.C.-Md.-Va.-W.Va., (December 1997=100 unless otherwise noted) (not seasonally adjusted) - Continued

Expenditure category		Inde	xes	Percent change from			
	Historical data	Nov. 2016	Dec. 2016	Jan. 2017	Jan. 2016	Nov. 2016	Dec. 2016
Nondurables less food	W	138.166		139.576	6.1	1.0	
Services less rent of shelter	W	175.725		176.134	1.7	0.2	
Services less medical care services	***	178.477		178.452	1.4	0.0	
Energy(1)	**	184.530	185.600	190.418	12.3	3.2	2.6
All items less energy	W	154.707		154.787	1.0	0.1	
All items less food and energy(1)	*	155.017		155.080	1.0	0.0	

Footnotes (1) Indexes on a November 1996=100 base.

Note: Index applies to a month as a whole, not to any specific date.

⁽²⁾ Indexes on a November 1997=100 base.

⁽³⁾ This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

⁽⁴⁾ This index series underwent a change in composition in January 2010. The expenditure class now includes weight from secondary residences, and has been re-titled "Owners' equivalent rent of residences." The item stratum "Owners' equivalent rent of primary residence" excludes secondary residences.

⁽⁵⁾ Special index based on a substantially smaller sample.